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3 Apr 50

Recd 15 Apr 50

SECURITY INFORMATION

GUATEMALA

Present situation:

Government:

1. **Congress** - dominated by the Communist Party and "Frentes Populares": Partido Accion Revolucionaria (PAR), Renovacion Nacional (RN), Frente Popular Libertador (FPL), and Partido Socialista (PS). 46 of the 64 deputies in Congress belong to these parties. Roberto ALTAMADO Fuentes, outgoing president of the PAR, attended several Communist meetings held in Guatemala and abroad, having been in Moscow and the satellite countries. The incumbent President, Lic. ESTRADA de la Hoz, (PAR), like his predecessor, is Communist. Dr. AREVALO, ex-president of the Republic, is the leader of this party, although the PAR and the Communist Party (PC) are directed by Soviet agents.
2. The extraordinary committees of the Congress are headed and controlled by the PC and the PAR: Agrarian reform, headed by Professor Victor Manuel GUTIERREZ, head of the Partido Revolucionario Obrero (RLO) which just combined with the PC. The committee consists of 9 members, 7 of whom can be said to belong to this party. GUTIERREZ is the author of a proposed "democratic" agrarian law which would practically eliminate private property.
3. Committee for the Reform of the Labor code, controlled and headed by communists. Among the reforms being considered are the syndical clauses: "Preferential", "admission" and "exclusion". By means of these, political or revolutionary syndicalism (red) would be imposed on the country, controlling the greater part, if not all, of the city and country workers, the PC thereby having electoral control and an easy means to control all the State organisms. It should be noted that the President of the Republic and the deputies are elected by the people; the President appoints the Ministers and all the officials and employees of the Public Administration; the Congress chooses the Judges of the Supreme Court, the magistrates (first justices) of the Court of Appeals and of the Civil Courts; the Supreme Court names all the judges, of the courts of first review, labor, and peace.
4. Committee to Revise Administrative Contracts: This committee is concerned with the revision of the contracts of American companies, bi-lateral contracts to which the State is a party (bi-lateral contracts cannot be revised by one of the contracting parties).

Executive:

1. President ARBENZ owes the presidency to Dr. AREVALO and to the labor unions lead by Communists, which were organized as political parties. He was also helped by the "Popular Fronts". He has made promises to

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these organizations and to the ex-president which he does not dare fail to carry out; in addition, he is closely connected with Dr. PRYOR and the principal leaders of these parties as a result of the assassination of Colonel ARANA, head of the armed forces and a decisive factor in the October revolution, whose murder made possible his reaching the presidency. Also, ARBENZ is sympathetic to the world Communist movement, is anti-American and has been outstanding as an enemy of North-American capital interests in the Republic.

2. The wife of Colonel ARBENZ is instructed in social matters by one of the leaders of the PC, Dr. Jose Manuel FORTUNEY, and has as her secretary a foreign woman who is a Communist.
3. Colonel ARBENZ' cabinet, with the exception of the Ministers of Defense, Economy, and Agriculture who are (his) unconditional followers, is made up of individuals belonging to the PC and the Popular Fronts. All the officials and employees of the Public Administration are being replaced by members of these parties.
4. The autonomous and semi-autonomous organizations have also come under the control of the PC and the Popular Fronts:
 - a. Instituto de Seguridad Social (Social Security): The director, Dr. Alfonso SOLORZANO, is a follower of LOMBARDO Toledano, and the secretary, Abel CUENCA acted as director of the Communist uprising of 1932 in El Salvador.
 - b. The Instituto Nacional del Petroleo: (National Petroleum Institute), directed by the metallurgist MENDEZ Lebadua, Communist cell member.
 - c. Instituto Nacional de la Produccion (INPOP) (National Production Institute): It is directed by the member of the popular fronts, Christian of Dr. AREVALO.
 - d. Banco de Guatemala: (Bank of Guatemala): Directed and controlled by proved supporters of Colonel ARBENZ.
 - e. Departamento de Fincas Nacionales (Department of State Lands): Created by Professor Mario AREVALO Bermejo, brother of ex-president Juan Jose AREVALO. This department controls more than 100 fincas, signifying more than 60,000 votes and a propitious propaganda field and Communist laboratory.
 - f. La Junta Nacional Electoral (The National Electoral Board) is made up of three magistrates, two of which are Communists, although they are members of the popular parties. The Departmental Electoral Boards are controlled by affiliates of the popular fronts.
 - g. Las Misiones Culturales y Escuelas de Alfabetizacion (Cultural Missions and Schools) are centers of Communist propaganda. Their activities are to

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the whole country and depend upon the Ministry of Public Education.

h. La Inspeccion General de Trabajo (Inspection of Labor Division) was headed by Dr. Alfredo GUERRA Borjes, Communist. It is at present controlled by members of the popular parties. The Department of Labor is controlled in the same manner. Both departments are dependencies of the Ministry of Economy.

Justice Dept.

1. There are labor courts: a lower court and a court of Appeals, controlled by the popular parties.
2. Ordinary law courts are controlled only partially. The tendency is to attempt to gain control of all the tribunals of the Republic, which will be won in the next election of judge, scheduled for March 1953.

It is easily seen that the Communist advance in this country is quite effective. The infiltration has been intelligently directed and their methods are manifestly effective. All key government positions are under their control.

Communist Organizations and Propaganda

1. The Communist Party is directed by Dr. Jose Manuel FORTUNEY and Alfredo GUERRA Borjes, the newspaperman Luis CARDOZA y Aragon (ex-Minister to Russia), lawyers Alfonso SOLORZANO, Alfonso ORANTES, Colonel Miguel GARCIA Granados, etc.
2. The Revolutionary Workers' Party (Partido Revolucionario Obrero) is directed by Professor Victor Manuel GUTIERREZ, Carlos Manuel FELLE, Manuel PINTO Usaga, Deputies CARDOZA, ORTIZ, VELASCO, etc.
3. The General Confederation of Guatemalan Workers (Confederacion General Trabajadores de Guatemala - CGTG) is comprised by all the urban and rural syndicates. This organization was created under the direction of the CTAL and constitutes the "Central Unica". The CGTG is affiliated with the CTAL and the WFTU.
4. The Popular Fronts (Frentes Populares): Although not all the members of these parties are Communists, there is nevertheless a large infiltration. The Communists have succeeded in taking the directive posts. Partido Accion Revolucionaria (PAR): The Secretary-General is the Communist Luis ALVARADO Fuentes and among the outstanding members appear lawyers Alfonso SOLORZANO and Alfonso ORANTES, Dr. Jorge Luis ANIOLA, Minister of Public Health, Professor MARDOQUEO Garcia, Minister of Public Education, Colonel Carlos ALDANA Sandoval, Minister of Communications, etc.

PS: Directed by lawyer Augusto CHORNAUD MacDonald, Minister of Finance. Advisors to CHORNAUD MacDonald are: Colonel Miguel GARCIA Granados, Amor VELASCO, lawyer GARCIA Manzo, Drs. SILVA Falla, etc.

In the same manner, infiltration has occurred in the RN and the FM. Daily the Communists are obtaining new recruits among these organizations.

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and have obtained numerous sympathizers. They are zealous at work and are well directed.

5. Agrarian Communities: At present more than 300 agrarian organizations exist in Guatemala, having been formed by high officials of the Ministry of Economy, especially by the lawyer Isidro LEMUS Dimas. This work has been carried out in a most discreet manner among the farmers in different areas of the Republic. The greater part of the farmers lack their own lands, and also are employed on other fincas. They are prepared on orders from the PC, to undertake an uprising to gain control of the organized fincas. These communities will support any type of Communist attempt.

The syndicates, as well as the agrarian colonies, make up the strength of the PC. Many members of the Syndicates have been given military training, their instructors having included Colonel Carlos AREVALO Sanchez, former Minister in Washington, who enjoys the complete confidence of Dr. AREVALO.

6. Many centers of communist instruction have been established in the country, the principal being the "Jacobo Sanchez School." At the present time, 17 well-organized Communist cells are functioning; their activities are no longer secret.
7. For its propaganda the PC makes use of the radio and press of the State. It also has its own publicity organs: "Octubre", "Vanguardia", and mimeographed organs which circulate secretly among the workers. Elementary lessons are given in these news organs, especially in geography and history, and in the lesson are explanations of what Communism is, its methods of operations and its purposes. Then it is described as a sacred seal of the workers. Also they use engravings and lithographed drawings which impress the people.
8. Assemblies and meetings are being held frequently; they have been held in the capital with delegates from the farms of the various agricultural regions, with the ostensible purpose of preparing the struggle for a minimum living wage in the rural areas; but at the meetings they give lectures and instruction and issue propaganda to be distributed on the farms and in the towns. Lately they have held meetings in the Departments of Zacatepequez and Chimaltenango and they are being held in other departments, headed by the Communist, Carlos Manuel FOLEA, Secretary of the Guatemalan Legation in Russia, in which they advise the audience that the final struggle is near and that they must be ready for it, that the farms will be theirs then, that they must choose those who belong to each organization. This is received with great enthusiasm; they have already picked out the property they will take over.
9. On the other hand, the press controlled by the Government: "Diario de Central America", "Diario de Manana", "Nuestro Diario", as well as the papers controlled by the Popular Fronts, constitute means of Communist propaganda and attack against the United States, American "imperialism" and foreign capital. This campaign is extended to the army by means of lectures given to officers given by Lic. Alfonso BAUER Ruiz and other members of the Popular Fronts.

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The government not only promotes and protects this activity but also cooperates by all means of dissemination at its disposal and through the various State organizations. Official protection is quite evident and under it Communism grows and develops among the people.

Army

1. The commanders and officers who were loyal to other regimes have been replaced by others loyal to Col. ARBENZ and others after him. Members of the President occupy the top posts: a) Chief of the Armed Forces b) Superior Defense Council c) Minister of Defense d) The General Staff of the Army e) The Presidential Staff f) commanders and officers of the Military bases and zones, as well as of the garrisons. They have been equally important in the Army Air Force.

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